

TITLE 750 DEPARTMENT OF FINANCIAL INSTITUTIONS

Notice of First Public Comment Period

LSA Document #23-837

FEES AND CIVIL PENALTIES

PURPOSE OF NOTICE

The Indiana Department of Financial Institutions (DFI) is soliciting public comment on new rules at 750 IAC 10, concerning the institutions regulated by the DFI, and adding the calculation of fees and civil penalties. The DFI seeks comment on the affected citations listed and any other provisions of Title 750 that may be affected by this rulemaking.

CITATIONS AFFECTED: 750 IAC 10-1-1; 750 IAC 10-1-2; 750 IAC 10-1-3; 750 IAC 10-1-4; 750 IAC 10-1-5; 750 IAC 10-1-6; 750 IAC 10-1-7; 750 IAC 10-1-8; 750 IAC 10-1-9; 750 IAC 10-1-10; 750 IAC 10-1-11; 750 IAC 10-2-1; 750 IAC 10-2-2; 750 IAC 10-2-3; 750 IAC 10-2-4; 750 IAC 10-2-5; 750 IAC 10-2-6; 750 IAC 10-2-7; 750 IAC 10-2-8; 750 IAC 10-2-9; 750 IAC 10-2-10

AUTHORITY: IC 24-4.4-2-402; IC 24-4.4-2-404.4; IC 24-4.4-3-104; IC 24-4.4-3-111; IC 24-4.5-3-106; IC 24-4.5-3-503; IC 24-4.5-4-108; IC 24-4.5-6-106; IC 24-4.5-6-113; IC 24-4.5-6-122; IC 24-4.5-6-203; IC 24-4.5-7-404; IC 24-5-23-6-9; IC 24-7-7-1; IC 24-7-7-2; IC 24-7-8-4; IC 24-12-5-1; IC 24-12-9-5; IC 28-1-20-4; IC 28-1-29-3; IC 28-1-29-10.5; IC 28-1-29-13; IC 28-7-5-5; IC 28-7-5-11; IC 28-7-5-15; IC 28-7-5-17; IC 28-7-5-38.1; IC 28-8-4.1-401; IC 28-8-4.1-506; IC 28-8-4.1-1103; IC 28-8-4.1-1105; IC 28-8-5-11; IC 28-8-5-15; IC 28-8-5-19; IC 28-8-5-24; IC 28-11-3-5; IC 28-11-4-7; IC 28-11-4-9

OVERVIEW

Basic Purpose and Background

The DFI is a dedicated-funds agency whose revenue is derived solely from supervision, examination, and license fees that are assessed to the institutions under its regulation. From time to time, the DFI also assesses civil penalties for violations of law. The purpose of the rule is to establish the DFI's fees and civil penalties in a new rule.

In concept, the fees first became effective in 1932, when the Indiana general assembly created the DFI based off recommendations from the Indiana Banking Commission and Herman B. Wells. As industries have evolved and come into a regulated space, the DFI has adopted fees to provide for the supervision of the industry. Accordingly, individual fees became effective at different times over the course of time.

Today, the DFI is governed by a statutorily appointed, bipartisan board of seven members that represent institutions regulated by the DFI. The members adopt the fees on an annual basis to be assessed on regulated institutions.

Institutions regulated by the DFI will be affected.

For purposes of IC 4-22-2-28.1, small businesses affected by this rulemaking may contact the Small Business Regulatory Coordinator:

Nicole Buskill
General Counsel
Indiana Department of Financial Institutions
30 South Meridian Street, Suite 200
Indianapolis, IN 46204
nbuskill@dfi.in.gov

For purposes of IC 4-22-2-28.1, the Small Business Ombudsman designated by IC 5-28-17-6 is:

Matthew Jaworowski
Small Business Ombudsman
Indiana Economic Development Corporation
One North Capitol, Suite 700
Indianapolis, IN 46204
(317) 650-0126
majaworowski@iedc.in.gov

Resources available to regulated entities through the small business ombudsman include the ombudsman's duties stated in IC 5-

28-17-6, specifically IC 5-28-17-6(9), investigating and attempting to resolve any matter regarding compliance by a small business with a law, rule, or policy administered by a state agency, either as a party to a proceeding or as a mediator.

REQUEST FOR PUBLIC COMMENTS

The DFI is soliciting public comments on the proposed rule. Comments may be submitted in one of the following ways:

(1) By mail or common carrier to the following address:

LSA Document #23-837
Nicole Buskill
General Counsel
Indiana Department of Financial Institutions
30 South Meridian Street, Suite 200
Indianapolis, IN 46204

(2) By electronic mail to nbuskill@dfi.in.gov. To confirm timely delivery of submitted comments, please request a document receipt when sending the electronic mail. **PLEASE NOTE: Electronic mail comments will not be considered part of the official written comment period unless they are sent to the address indicated in this notice.**

(3) Attend scheduled public hearing.

COMMENT PERIOD DEADLINE

All comments must be postmarked or time stamped not later than February 2, 2024.

The rule, Regulatory Analysis, appendices referenced in the Regulatory Analysis, and materials incorporated by reference (if applicable) are on file at the Indiana Department of Financial Institutions, 30 South Meridian Street, Suite 200, Indianapolis, Indiana and are available for public inspection. Copies of the rule, Regulatory Analysis, and appendices referenced in the Regulatory Analysis are available at the office of the Indiana Department of Financial Institutions.

If the DFI does not receive substantive comments during the public comment period or public hearing, the rule may be adopted with text that is the same as or does not substantially differ from the text of the proposed rule published in this notice.

ADDITIONAL DOCUMENTS

Regulatory Analysis: 20240103-IR-750230837RAA

Notice of Public Hearing: 20240103-IR-750230837PHA

PROPOSED RULE

SECTION 1. 750 IAC 10 IS ADDED TO READ AS FOLLOWS:

ARTICLE 10. FEES AND CIVIL PENALTIES

Rule 1. Fee Schedules for Financial Institutions Required to be Licensed, Chartered, or Registered with the Indiana Department of Financial Institutions Under IC 24 and IC 28

750 IAC 10-1-1 Applicability

Authority: IC 24-4.4-2-402; IC 24-4.4-3-104; IC 24-4.5-3-106; IC 24-4.5-3-503; IC 24-4.5-6-203; IC 24-5-23.6-9; IC 24-7-7-2; IC 24-7-8-4; IC 24-12-9-5; IC 28-1-29-3; IC 28-1-29-10.5; IC 28-7-5-5; IC 28-7-5-11; IC 28-7-5-15; IC 28-7-5-17; IC 28-8-4.1-401; IC 28-8-4.1-506; IC 28-8-5-11; IC 28-8-5-15; IC 28-8-5-19; IC 28-11-3-5

Affected: IC 24-4.4-2-402; IC 24-4.4-3-101; IC 24-4.4-3-104; IC 24-4.5; IC 24-5-23.6-9; IC 24-7-1-1; IC 24-7-7-2; IC 24-7-8-4; IC 24-12-1-0.5; IC 24-12-9-5; IC 28-1-2-30; IC 28-1-29-3; IC 28-1-29-10.5; IC 28-7-5-3; IC 28-7-5-5; IC 28-7-5-11; IC 28-7-5-15; IC 28-7-5-17; IC 28-8-4.1-201; IC 28-8-4.1-401; IC 28-8-4.1-506; IC 28-8-5-11; IC 28-8-5-15; IC 28-8-5-19; IC 28-11-3-5

Sec. 1. (a) This rule applies to financial institutions, persons who commit acts in violation of IC 28, and persons subject to IC 24-4.4-3-101, IC 24-4.5-6-102, IC 24-4.5-7-102, IC 24-7-1-1, IC 24-12-1-0.5, IC 28-1-29-3, IC 28-7-5-3, IC 28-8-4.1-201, and IC 28-8-5-11.

(b) For purposes of this article, "financial institution" has the meaning as set forth in IC 28-1-2-30.

(c) For purposes of this article, "person" or "persons" has the meaning as set forth in IC 24-4.5-1-301.5(33). (Department of Financial Institutions; 750 IAC 10-1-1)

750 IAC 10-1-2 Purpose

Authority: IC 24-4.4-2-402; IC 24-4.4-3-104; IC 24-4.5-3-106; IC 24-4.5-3-503; IC 24-4.5-6-203; IC 24-5-23.6-9; IC 24-7-7-2; IC 24-7-8-4; IC 24-12-9-5; IC 28-1-29-3; IC 28-1-29-10.5; IC 28-7-5-5; IC 28-7-5-11; IC 28-7-5-15; IC 28-7-5-17; IC 28-8-4.1-401; IC 28-8-4.1-506; IC 28-8-5-11; IC 28-8-5-15; IC 28-8-5-19; IC 28-11-3-5

Affected: IC 24-4.4-2-402; IC 24-4.4-3-104; IC 24-4.5-3-106; IC 24-4.5-3-503; IC 24-4.5-6-203; IC 24-5-23.6-9; IC 24-7-7-2; IC 24-7-8-4; IC 24-12-9-5; IC 28-1-2-30; IC 28-1-29-3; IC 28-1-29-10.5; IC 28-7-5-5; IC 28-7-5-11; IC 28-7-5-15; IC 28-7-5-17; IC 28-8-4.1-401; IC 28-8-4.1-506; IC 28-8-5-11; IC 28-8-5-15; IC 28-8-5-19; IC 28-11-3-5

Sec. 2. The purpose of this rule is to establish fee schedules for financial institutions. (Department of Financial Institutions; 750 IAC 10-1-2)

750 IAC 10-1-3 Fees for banks, savings banks, building and loan associations, and industrial authorities

Authority: IC 28-11-3-5

Affected: IC 28-1-1-3; IC 28-11-3-5

Sec. 3. (a) Under IC 28-11-3-5, the schedule of fees for services rendered and the duties performed by the department in the administration of financial institutions for banks, savings banks, building and loan associations, and industrial authorities is as follows:

IF THE AMOUNT OF TOTAL ASSETS IS:			THE FEE WILL BE:	
OVER	BUT NOT OVER	THIS AMOUNT	PLUS	OF EXCESS OVER
\$ 0	\$ 10,000M	4,380		
10,001M	15,000M	4,380	.2160 per thousand	10,000M
15,001M	25,000M	5,460	.0970 per thousand	15,000M
25,001M	50,000M	6,430	.0748 per thousand	25,000M
50,001M	100,000M	8,301	.0683 per thousand	50,000M
100,001M	500,000M	11,717	.0660 per thousand	100,000M
500,001M	1,000,000M	38,101	.0644 per thousand	500,000M
1,000,001M	3,000,000M	70,279	.0482 per thousand	1,000,000M
3,000,001M	5,000,000M	166,669	.0378 per thousand	3,000,000M
5,000,001M	10,000,000M	242,269	.0346 per thousand	5,000,000M
10,000,001M	20,000,000M	415,204	.0324 per thousand	10,000,000M
20,000,001M	40,000,000M	739,339	.0318 per thousand	20,000,000M
40,000,001M		1,376,269	0.0297 per thousand	40,000,000M

(b) For purposes of this section, "M" means multiply by one thousand (1,000).

(c) For purposes of this article, "department" has the meaning as set forth in IC 28-1-1-3(14). (Department of Financial Institutions; 750 IAC 10-1-3)

750 IAC 10-1-4 Fees for trust departments

Authority: IC 28-11-3-5

Affected: IC 28-11-3-5

Sec. 4. (a) Under IC 28-11-3-5, the schedule of fees for services rendered and the duties performed by the department in the administration of financial institutions for trust departments is as follows:

IF THE AMOUNT OF TOTAL ASSETS IS:		THE FEE WILL BE:
OVER	BUT NOT OVER	THIS ASSESSMENT
\$ 0	\$ 2,000M	\$ 800
2,001M	5,000M	1,500
5,001M	10,000M	2,000

10,001M	20,000M	3,000
20,001M	30,000M	4,000
30,001M	40,000M	5,000
40,001M	50,000M	6,000
50,001M	100,000M	8,500
100,001M	500,000M	11,000
500,001M	1,000,000M	21,000
1,000,001M		\$21,000 plus \$.0022 per thousand on trust assets over \$1,000,000M

(b) For purposes of this section, "M" means multiply by one thousand (1,000). (Department of Financial Institutions; 750 IAC 10-1-4)

750 IAC 10-1-5 Fees for corporate fiduciaries

Authority: IC 28-11-3-5

Affected: IC 28-11-3-5

Sec. 5. (a) Under IC 28-11-3-5, the schedule of fees for services rendered and the duties performed by the department in the administration of financial institutions for corporate fiduciaries is as follows:

IF THE AMOUNT OF TRUST ASSETS IS:			THE FEE WILL BE:	
OVER	BUT NOT OVER	THIS AMOUNT	PLUS	OF EXCESS OVER
\$ 0	\$ 20,000M	5,150		
20,001M	50,000M	5,150	0.1578 per thousand	20,000M
50,001M	100,000M	9,884	0.0922 per thousand	50,000M
100,001M	500,000M	14,494	0.0205 per thousand	100,000M
500,001M	1,000,000M	22,694	0.0102 per thousand	500,000M
1,000,001M	10,000,000M	27,794	0.0050 per thousand	1,000,000M
10,000,001M	20,000,000M	72,794	0.0035 per thousand	10,000,000M
20,000,001M	40,000,000M	107,794	0.0025 per thousand	20,000,000M
40,000,001M		157,794	0.0020 per thousand	40,000,000M

(b) For purposes of this section, "M" means multiply by one thousand (1,000). (Department of Financial Institutions; 750 IAC 10-1-5)

750 IAC 10-1-6 Fees for credit unions

Authority: IC 28-11-3-5

Affected: IC 28-11-3-5

Sec. 6. (a) Under IC 28-11-3-5, the schedule of fees for services rendered and the duties performed by the department in the administration of financial institutions for credit unions is as follows:

IF THE AMOUNT OF TOTAL ASSETS IS:			THE FEE WILL BE:	
OVER	BUT NOT OVER	THIS AMOUNT	PLUS	OF EXCESS OVER
\$ 0	\$ 545M	510		
546M	1,000M	510	0.7373 per thousand	\$ 545M
1,001M	5,000M	845	0.7607 per thousand	1,000M
5,001M	10,000M	3,888	0.2534 per thousand	5,000M
10,001M	50,000M	5,155	0.0677 per thousand	10,000M
50,001M	100,000M	7,861	0.0665 per thousand	50,000M
100,001M	500,000M	11,188	0.0660 per thousand	100,000M
500,001M	1,000,000M	37,572	0.0644 per thousand	500,000M
1,000,001M	3,000,000M	69,749	0.0631 per thousand	1,000,000M
3,000,001M	5,000,000M	196,001	0.0232 per thousand	3,000,000M

5,000,001M		242,306	0.0227 per thousand	5,000,000M
------------	--	---------	---------------------	------------

(b) For purposes of this section, "M" means multiply by one thousand (1,000). *(Department of Financial Institutions; 750 IAC 10-1-6)*

750 IAC 10-1-7 Fee increase for composite ratings

Authority: IC 28-11-3-5

Affected: IC 28-11-3-5

Sec. 7. (a) If a:

- (1) bank;**
- (2) savings bank;**
- (3) building and loan association;**
- (4) industrial authority;**
- (5) trust department;**
- (6) corporate fiduciary; or**
- (7) credit union;**

receives a composite 3 rating at its most recent state or federal safety and soundness examination, its annual fee is increased by twelve and one-half percent (12.5%). This assessment is prorated on a quarterly basis. The increased supervisory assessment stays in effect until the quarter following the financial institution's receipt of a composite 1 or 2 rating at a state or federal safety and soundness examination.

(b) If a:

- (1) bank;**
- (2) savings bank;**
- (3) building and loan association;**
- (4) industrial authority;**
- (5) trust department;**
- (6) corporate fiduciary; or**
- (7) credit union;**

receives a composite 4 or 5 rating at its most recent state or federal safety and soundness examination, its annual fee is increased by twenty-five percent (25%). This assessment is prorated on a quarterly basis. The increased supervisory assessment stays in effect until the quarter following the financial institution's receipt of a composite 1 or 2 rating at a state or federal safety and soundness examination. *(Department of Financial Institutions; 750 IAC 10-1-7)*

750 IAC 10-1-8 Prorated fees for newly chartered and converted financial institutions

Authority: IC 28-11-3-5

Affected: IC 28-11-3-5

Sec. 8. A newly chartered and converted financial institution, which includes thrift and national to state chartered financial institutions, is charged a percentage of its annual fee, as calculated in sections 3 through 6 of this rule, based on the number of months that it is in existence as an Indiana state chartered financial institution during the department's fiscal year. *(Department of Financial Institutions; 750 IAC 10-1-8)*

750 IAC 10-1-9 Fees due

Authority: IC 28-11-3-5

Affected: IC 28-11-3-5

Sec. 9. The fees prescribed in sections 3 through 6 of this rule are due on or before August 1 of each year. *(Department of Financial Institutions; 750 IAC 10-1-9)*

750 IAC 10-1-10 Schedule of fees for applications

Authority: IC 28-11-3-5

Affected: IC 24-4.5-1-301.5; IC 28-1-9-3; IC 28-11-3-5

Sec. 10. (a) Under IC 28-11-3-5, the schedule of fees for services rendered and the duties performed by the department in the administration of financial institutions for the following applications is as follows:

FINANCIAL INSTITUTION FORMATION	BASE FEES
Interim Institution	\$2,000
Full-Service Institution Upon Submission of Application	\$4,000
Full-Service Institution Upon Department's Approval of Application	\$4,000
BANK HOLDING COMPANY	
Bank Holding Company Acquisition	\$5,000
Bank Holding Company Acquisitions (including Interim Bank and Merger)	\$5,000
CHANGE OF CONTROL	\$500
MERGER FEE FOR BANKS, TRUST COMPANIES, SAVINGS BANKS, BUILDING AND LOAN ASSOCIATIONS, INDUSTRIAL AUTHORITIES, TRUST DEPARTMENTS, AND CORPORATE FIDUCIARIES	\$1,000
MERGER FOR CREDIT UNION	\$500
CONVERSIONS	
National Bank to State Charter	\$0
Federally Chartered Savings and Loan to Bank or Savings Bank	\$0
Mutual Savings Bank to Stock Savings Bank	\$0
State Chartered Savings and Loan to Bank or Savings Bank	\$0
Federal Credit Union to State Charter	\$0
MUTUAL HOLDING COMPANY REORGANIZATION	\$1,000
ESTABLISHMENT OF A BRANCH	
Full-Service Branch	\$500
ESTABLISHMENT OF A TRUST OFFICE	\$500
RELOCATION OF MAIN OFFICE OR BRANCH	\$500
BANK HOLDING COMPANY FORMATION	\$1,000
CONSOLIDATION	\$1,000
VOLUNTARY DISSOLUTION	
Time of Submission of Application	\$2,500
ISSUANCE OF SUBORDINATED DEBT AS CAPITAL	\$0
ESTABLISHMENT OF A NONQUALIFYING SUBSIDIARY	\$500

(b) The base fees listed in subsection (a) are the minimum amounts charged for an application. Actual expenses are charged at eighty dollars (\$80) per hour, or a part thereof, for all personnel involved in processing, analyzing, or investigating an application. Actual expenses also include transcript preparation, administrative law judge fees, and travel expenses for the members of the department and office personnel. If an actual expense exceeds the basic fee for an application, the amount of the actual expense is charged for the application. Actual expenses of an application for a:

- (1) conversion;
 - (2) merger; or
 - (3) consolidation;
- examination shall not exceed thirty thousand dollars (\$30,000).

(c) Financial institutions in the process of voluntary dissolution are not charged an annual fee after the board resolution authorizing the dissolution has been approved by the department under IC 28-1-9-3.

(d) Fees are not imposed if an institution involved in an application is insolvent or is in imminent danger of becoming insolvent, as determined by the director.

(e) For purposes of this article, "director" has the meaning as set forth in IC 24-4.5-1-301.5(13). (*Department of Financial Institutions; 750 IAC 10-1-10*)

750 IAC 10-1-11 Fee schedules for consumer credit institutions

Authority: IC 24-4.4-2-402; IC 24-4.4-3-104; IC 24-4.5-6-106; IC 24-4.5-6-203; IC 24-4.5-3-503; IC 24-4.5-6-203; IC 24-5-23.6-9; IC 24-7-7-2; IC 24-7-8-4; IC 24-12-9-5; IC 28-8-4.1-401; IC 28-8-4.1-506; IC 28-8-4.1-1103; IC 28-1-29-3; IC 28-1-29-10.5; IC 28-7-5-5; IC 28-7-5-11; IC 28-7-5-15; IC 28-7-5-17; IC 28-8-5-11; IC 28-8-5-15; IC 28-8-5-19; IC 28-11-3-5

Affected: IC 28-11-3-5

Sec. 11. (a) Under IC 28-11-3-5, the schedule of fees for services rendered and the duties performed by the department in the administration of financial institutions for the entities below is as follows:

Entity Type	Fee Type	Amount of Fee	Due Date
Check Cashing License			
	Application Fee	\$1,000	Time of application
	Renewal Fee	\$500 + \$250 per each additional location, \$2,000 maximum	December 31 each year
	Renewal Late Fee	\$20 per day	Upon submission of renewal
	Hourly Exam Fee	\$80 per hour	Upon completion of exam
	Late Exam Fee	\$20 per day	
Civil Proceeding Advance Payment Provider License			
	Application Fee	\$1,000	Upon submission of application
	Renewal Fee	\$1,000	December 31 each year
	Renewal Late Fee	\$20 per day	Upon submission of renewal
	Hourly Exam Fee	\$80 per hour	Upon completion of exam
	Late Exam Fee	\$20 per day	
Debt Management License			
	Application Fee	\$1,000	Upon submission of application
	Renewal Fee	\$1,000	December 31 each year
	Renewal Late Fee	\$20 per day	Upon submission of renewal
	Hourly Exam Fee	\$80 per hour	Upon completion of exam
	Late Exam Fee	\$20 per day	
Creditor's Notification Return for Depository Institutions			
	Application Fee	N/A	N/A
	Renewal Fee	Volume fee due at \$2/\$100,000	January 31 each year
	Renewal Late Fee	N/A	N/A
	Hourly Exam Fee	N/A	N/A
Hoosier Traditional Mortgage			
	Certification Fee	\$50	Due upon submission of certificate
	Recertification Fee	\$50	July 1 each year
Consumer Loan License			
	Application	\$1,000	Upon submission of application
	Renewal Fee	The greater of \$1,000 or volume fee of \$2/\$100,000	December 31 each year
	Renewal Late Fee	\$20 per day	Upon submission of renewal

	Hourly Exam Fee	\$80 per hour	Upon completion of exam
	Late Exam Fee	\$20 per day	
Money Transmitter License			
	Application Fee	\$1,000	Upon submission of application
	Renewal Fee	\$1,000	December 31 each year
	Renewal Late Fee	\$20 per day	Upon submission of renewal
	Hourly Exam Fee	\$80 per hour	Upon completion of exam
	Late Exam Fee	\$20 per day	
Mortgage Lending License			
	Application	\$1,000	Upon submission of application
	Renewal Fee	\$1,000	December 31 each year
	Renewal Late Fee	\$20 per day	Upon submission of renewal
	Hourly Exam Fee	\$80 per hour	Upon completion of exam
	Late Exam Fee	\$20 per day	
Mortgage Loan Originator License			
	Application Fee	\$100	Upon submission of application
	Renewal Fee	\$100	December 31 each year
	Hourly Exam Fee	\$80 per hour	
Non-Lender Registration (Credit Sellers/Lessors) (Notice of Intent – State Form 83)			
	Notification Fee	N/A	
	Renewal Fee	Volume fee due at \$2/\$100,000	January 31 each year
	Renewal Late Fee	N/A	
	Hourly Exam Fee	\$80 per hour	Upon completion of exam
	Late Exam Fee	\$20 per day	
Pawnbroker License			
	Application Fee	\$1,000 + \$500 for each additional location	Upon submission of application
	Renewal Fee	\$1,000 + \$500 for each additional location	December 31 each year
	Late Renewal Fee	\$20 per day	Upon submission of renewal
	Hourly Exam Fee	\$80 per hour	Upon completion of exam
	Late Exam Fee	\$20 per day	
Rental Purchase Registration			
	Notification Fee	\$500	
	Renewal Fee	\$500 + \$250 for each additional location, not to exceed \$10,000	January 31 each year
	Renewal Late Fee	\$20 per day	Upon submission of renewal
	Hourly Exam Fee	\$80 per hour	Upon completion of exam
	Late Exam Fee	\$20 per day	
Small Loan License			
	Application Fee	\$2,000 + \$750 per each additional location	Upon submission of application
	Renewal Fee	\$2,000 + \$750 per each additional location	December 31 each year
	Renewal Late Fee	\$20 per day	Upon submission of renewal
	Hourly Exam Fee	\$80 per hour	Upon completion of exam
	Late Exam Fee	\$20 per day	

(b) If the license and renewal fees under subsection (a) are paid, an exam fee may be offset, with the first one thousand two hundred dollars (\$1,200) of the exam fee waived, plus an additional six hundred dollars (\$600) of the exam fee waived for each additional location examined.

(c) If the total amount owed for the volume fee under this section is one hundred dollars (\$100) or less, the volume fee is waived.

(d) The mortgage lending license application fee is waived if an applicant's mortgage loan originators are exempt from licensure under 750 IAC 9-3-1(h)(2)(i). (*Department of Financial Institutions; 750 IAC 10-1-11*)

Rule 2. Civil Penalty Schedule for Financial Institutions Required to be Licensed, Chartered, or Registered with the Indiana Department of Financial Institutions Under IC 24 and IC 28

750 IAC 10-2-1 Applicability

Authority: IC 24-4.4-2-404.4; IC 24-4.4-3-111; IC 24-4.5-4-108; IC 24-4.5-6-113; IC 24-4.5-6-122; IC 24-4.5-7-404; IC 24-7-7-1; IC 24-12-5-1; IC 28-1-20-4; IC 28-1-29-13; IC 28-7-5-38.1; IC 28-8-4.1-1105; IC 28-8-5-24; IC 28-11-4-7; IC 28-11-4-9

Affected: IC 24-4.4-2-404.4; IC 24-4.4-3-101; IC 24-4.4-3-111; IC 24-4.5-4-108; IC 24-4.5-6-102; IC 24-4.5-6-113; IC 24-4.5-6-122; IC 24-4.5-7-102; IC 24-4.5-7-404; IC 24-7-7-1; IC 24-12-1-0.5; IC 24-12-5-1; IC 28-1-2-30; IC 28-1-20-4; IC 28-1-29-3; IC 28-1-29-13; IC 28-7-5-3; IC 28-7-5-38.1; IC 28-8-4.1-201; IC 28-8-4.1-1105; IC 28-8-5-11; IC 28-8-5-24; IC 28-11-4-7; IC 28-11-4-9

Sec. 1. This rule applies to financial institutions, persons who commit acts in violation of IC 28, and persons subject to IC 24-4.4-3-101, IC 24-4.5-6-102, IC 24-4.5-7-102, IC 24-7-1-1, IC 24-12-1-0.5, IC 28-1-29-3, IC 28-7-5-3, IC 28-8-4.1-201, and IC 28-8-5-11. (*Department of Financial Institutions; 750 IAC 10-2-1*)

750 IAC 10-2-2 Purpose

Authority: IC 24-4.4-2-404.4; IC 24-4.4-3-111; IC 24-4.5-4-108; IC 24-4.5-6-113; IC 24-4.5-6-122; IC 24-4.5-7-404; IC 24-7-7-1; IC 24-12-5-1; IC 28-1-20-4; IC 28-1-29-13; IC 28-7-5-38.1; IC 28-8-4.1-1105; IC 28-8-5-24; IC 28-11-4-7; IC 28-11-4-9

Affected: IC 24-4.4; IC 24-4.5; IC 24-7; IC 24-12; IC 28

Sec. 2. The purpose of this rule is to set forth standards for the assessment of civil penalties for violations of IC 24-4.4, IC 24-4.5, IC 24-7, IC 24-12, and IC 28. (*Department of Financial Institutions; 750 IAC 10-2-2*)

750 IAC 10-2-3 Authority

Authority: IC 24-4.4-2-404.4; IC 24-4.4-2-404.6; IC 24-4.4-3-111; IC 24-4.5-4-108; IC 24-4.5-6-113; IC 24-4.5-6-122; IC 24-4.5-6-124; IC 24-4.5-7-404; IC 24-7-7-1; IC 24-12-5-1; IC 28-1-20-4; IC 28-1-29-13; IC 28-7-5-38.1; IC 28-8-4.1-1105; IC 28-8-5-24; IC 28-11-4-7; IC 28-11-4-9

Affected: IC 24-4.4-2-404.4; IC 24-4.4-2-404.6; IC 24-4.4-3-111; IC 24-4.5; IC 24-7-7-1; IC 24-12-5-1; IC 28-1-20-4; IC 28-1-29-13; IC 28-7-5-38.1; IC 28-8-4.1-1105; IC 28-8-5-24; IC 28-11-4-7; IC 28-11-4-9

Sec. 3. (a) The department is authorized to assess civil penalties under IC 24-4.4-2-404.4, IC 24-4.4-2-404.6, IC 24-4.4-3-111, IC 24-4.5-6-113, IC 24-4.5-6-122, IC 24-4.5-6-124, IC 24-7-7-1, IC 24-12-5-1, IC 28-1-20-4, IC 28-1-29-13, IC 28-7-5-38.1, IC 28-8-4.1-1105, IC 28-8-5-24, IC 28-11-4-7, and IC 28-11-4-9.

(b) The director is authorized to assess civil penalties under IC 24-4.5-4-108, IC 24-4.5-6-122, IC 24-4.5-6-124, and IC 24-4.5-7-404. (*Department of Financial Institutions; 750 IAC 10-2-3*)

750 IAC 10-2-4 Civil penalty schedule for banks, savings banks, building and loan associations, industrial authorities, trust departments, corporate fiduciaries, credit unions, and licensees under IC 24-4.4 and IC 24-4.5

Authority: IC 28-1-20-4; IC 28-11-4-7; IC 28-11-4-9

Affected: IC 28-1-20-4; IC 28-11-4-7; IC 28-11-4-9

Sec. 4. The schedule of civil penalties for violations of the following statutes is as follows:

Legal Citation	General Description of Violation	Base Violation
IC 28-1-20-4(m)	Violation of naming convention standards	\$7,500 per day
IC 28-11-4-7; IC 28-11-	Unsafe or unsound practices or violations of law;	\$500 per day

4-9	violations by certain individuals	
-----	-----------------------------------	--

(Department of Financial Institutions; 750 IAC 10-2-4)

750 IAC 10-2-5 Mitigating factors

Authority: IC 28-1-20-4; IC 28-11-4-7; IC 28-11-4-9

Affected: IC 28-1-20-4; IC 28-11-4-7; IC 28-11-4-9

Sec. 5. The amount of a civil penalty in section 4 of this rule may be adjusted downward to reflect mitigating factors. The existence or nonexistence of any factor is not determinative. Factors that may be considered are as follows:

- (1) The appropriateness of the civil penalty with respect to the financial resources and good faith of a person or an individual charged.
- (2) Existence of written policies governing the conduct.
- (3) Cooperation with the department in addressing the violation.
- (4) A person's history of compliance.
- (5) Remedial or corrective action taken by a person.
- (6) Whether the violation was voluntarily disclosed to the department.
- (7) Evidence of restitution paid.
- (8) Other factors that justice requires.

(Department of Financial Institutions; 750 IAC 10-2-5)

750 IAC 10-2-6 Aggravating factors

Authority: IC 28-1-20-4; IC 28-11-4-7; IC 28-11-4-9

Affected: IC 28-1-20-4; IC 28-11-4-7; IC 28-11-4-9

Sec. 6. The amount of a civil penalty in section 4 of this rule may be adjusted upward to reflect aggravating factors. The existence or nonexistence of any factor is not determinative. Factors that may be considered are as follows:

- (1) The gravity of the practice, violation, or act, including:
 - (A) loss or risk of loss to a person;
 - (B) loss or risk of loss to consumers;
 - (C) an impact other than loss;
 - (D) concealment; and
 - (E) the number of violations at issue.
- (2) The economic benefit derived by an individual from the practice, violation, or act.
- (3) Willful or intentional misconduct.
- (4) Duration and frequency of the violation.
- (5) History of similar prior violations.
- (6) Fraudulent conduct.
- (7) Whether the violation negatively impacts the integrity or public trust of financial institutions in the state of Indiana.
- (8) Other factors justice requires.

(Department of Financial Institutions; 750 IAC 10-2-6)

750 IAC 10-2-7 Civil penalty schedule for check cashers, civil proceeding advance payment providers, debt management licensees, consumer credit loan licensees, money transmitter licensees, mortgage lending licensees, mortgage loan originators, non-lender registrants, pawnbroker licensees, rental purchase registrants, and small loan licensees

Authority: IC 24-4.4-2-404.4; IC 24-4.4-3-111; IC 24-4.5-4-108; IC 24-4.5-6-113; IC 24-4.5-6-122; IC 24-4.5-7-404; IC 24-7-7-1; IC 24-12-5-1; IC 28-1-29-13; IC 28-7-5-38.1; IC 28-8-4.1-1105; IC 28-8-5-24

Affected: IC 24-4.4-2-404.4; IC 24-4.4-3-111; IC 24-4.5-4-108; IC 24-4.5-6-113; IC 24-4.5-6-122; IC 24-4.5-7-404; IC 24-7-7-1; IC 24-12-5-1; IC 28-1-29-13; IC 28-7-5-38.1; IC 28-8-4.1-1105; IC 28-8-5-24

Sec. 7. The schedule of civil penalties for violations of the following statutes is as follows:

Legal Citation	General Description of Violation	Base Violation
IC 24-4.4-2-404.4(3)(c)	Violation of statute, cease and desist order, or any condition imposed in writing by the director by individuals	\$7,500
IC 24-4.4-3-111(2)	Violations of the First Lien Mortgage Act	\$2,500

IC 24-4.5-4-108(6)	Pattern or practice of refusal to issue a refund of credit insurance, GAP, or other authorized produce, when a prepayment of a consumer credit sale or consumer loan is made	\$500 per violation
IC 24-4.5-6-113(3)	Violations of the Uniform Consumer Credit Code	\$5,000
IC 24-4.5-6-122(c)	Violation of statute, cease and desist order, or any condition imposed in writing by the director by directors, officers, or manager of a creditor	\$7,500
IC 24-4.5-7-404(10)	Violations of limits and number of amounts of outstanding small loans, lender verification requirements, and third party database requirements	\$50 per violation
IC 24-7-7-1(b)	Violations of the Rental Purchase Agreement Act	\$5,000
IC 24-12-5-1	Violations of the Civil Proceeding Advance Payment Act	\$5,000
IC 28-1-29-13(b)	Violations of the debt management chapter	\$5,000
IC 28-1-29-13(c)	Knowingly authorized, directs, or aids violations of the debt management chapter	\$10,000
IC 28-7-5-38.1	Violations of the pawnbroking law	\$5,000
IC 28-8-4.1-1105	Violations of Money Transmission Modernization Act	\$5,000
IC 28-8-5-24(a)	Violations of the Check Cashing Act	\$5,000

(Department of Financial Institutions; 750 IAC 10-2-7)

750 IAC 10-2-8 Mitigating factors

Authority: IC 24-4.4-2-404.4; IC 24-4.4-3-111; IC 24-4.5-4-108; IC 24-4.5-6-113; IC 24-4.5-6-122; IC 24-4.5-7-404; IC 24-7-7-1; IC 24-12-5-1; IC 28-1-29-13; IC 28-7-5-38.1; IC 28-8-4.1-1105; IC 28-8-5-24

Affected: IC 24-4.4-2-404.4; IC 24-4.4-3-111; IC 24-4.5-4-108; IC 24-4.5-6-113; IC 24-4.5-6-122; IC 24-4.5-7-404; IC 24-7-7-1; IC 24-12-5-1; IC 28-1-29-13; IC 28-7-5-38.1; IC 28-8-4.1-1105; IC 28-8-5-24

Sec. 8. The amount of a civil penalty under section 7 of this rule may be adjusted downward to reflect mitigating factors. The existence or nonexistence of any factor is not determinative. Factors that may be considered are as follows:

- (1) The appropriateness of the civil penalty with respect to the financial resources and good faith of a person or an individual charged.
- (2) Existence of written policies governing the conduct.
- (3) Cooperation with the department in addressing the violation.
- (4) A person's history of compliance.
- (5) Remedial or corrective action taken by a person.
- (6) Whether the violation was voluntarily disclosed to the department.
- (7) Evidence of restitution paid.
- (8) Other factors that justice requires.

(Department of Financial Institutions; 750 IAC 10-2-8)

750 IAC 10-2-9 Aggravating factors

Authority: IC 24-4.4-2-404.4; IC 24-4.4-3-111; IC 24-4.5-4-108; IC 24-4.5-6-113; IC 24-4.5-6-122; IC 24-4.5-7-404; IC 24-7-7-1; IC 24-12-5-1; IC 28-1-29-13; IC 28-7-5-38.1; IC 28-8-4.1-1105; IC 28-8-5-24

Affected: IC 24-4.4-2-404.4; IC 24-4.4-3-111; IC 24-4.5-4-108; IC 24-4.5-6-113; IC 24-4.5-6-122; IC 24-4.5-7-404; IC 24-7-7-1; IC 24-12-5-1; IC 28-1-29-13; IC 28-7-5-38.1; IC 28-8-4.1-1105; IC 28-8-5-24

Sec. 9. The amount of a civil penalty under section 7 of this rule may be adjusted upward to reflect aggravating factors. The existence or nonexistence of any factor is not determinative. Factors that may be considered are as follows:

- (1) The gravity of the practice, violation, or act, including:
 - (A) loss or risk of loss to a person;
 - (B) loss or risk of loss to consumers;
 - (C) an impact other than loss;
 - (D) concealment; and
 - (E) the number of violations at issue.
- (2) The economic benefit derived by a person or an individual from the practice, violation, or act.
- (3) Willful or intentional misconduct.

- (4) Duration and frequency of the violation.**
- (5) History of similar prior violations.**
- (6) Fraudulent conduct.**
- (7) Whether the violation negatively impacts the integrity or public trust of financial institutions in the state of Indiana.**
- (8) Other factors justice requires.**

(Department of Financial Institutions; 750 IAC 10-2-9)

750 IAC 10-2-10 Assessment of civil penalty not required

Authority: IC 24-4.4-2-404.4; IC 24-4.4-2-404.6; IC 24-4.4-3-111; IC 24-4.5-4-108; IC 24-4.5-6-113; IC 24-4.5-6-122; IC 24-4.5-6-124; IC 24-4.5-7-404; IC 24-7-7-1; IC 24-12-5-1; IC 28-1-20-4; IC 28-1-29-13; IC 28-7-5-38.1; IC 28-8-4.1-1105; IC 28-8-5-24; IC 28-11-4-7; IC 28-11-4-9

Affected: IC 24-4.4-2-404.4; IC 24-4.4-2-404.6; IC 24-4.4-3-111; IC 24-4.5-4-108; IC 24-4.5-6-113; IC 24-4.5-6-122; IC 24-4.5-6-124; IC 24-4.5-7-404; IC 24-7-7-1; IC 24-12-5-1; IC 28-1-20-4; IC 28-1-29-13; IC 28-7-5-38.1; IC 28-8-4.1-1105; IC 28-8-5-24; IC 28-11-4-7; IC 28-11-4-9

Sec. 10. Nothing in this rule shall require the department or director to assess a civil penalty for a violation.

(Department of Financial Institutions; 750 IAC 10-2-10)